

Boswel. 13C

\* Submitted for printing under clause 8 of rule XVIII

~~AMENDMENT TO H.R. 2646 AS REPORTED~~

~~OFFERED BY MR. BOSWELL OF IOWA~~

AMENDMENT NO. \_\_\_\_; At the end of title IX, insert the following new section:

1 SEC. \_\_\_\_ RENEWABLE ENERGY RESERVE.

2 (a) PURPOSES.—It is the purpose of this section to  
3 create a reserve of agricultural commodities to—

4 (1) provide feedstocks to support and further  
5 the production of the renewable energy; and

6 (2) support the renewable energy industry in  
7 times when production is at risk of decline due to re-  
8 duced feedstock supplies or significant commodity  
9 price increases.

10 (b) ESTABLISHMENT.—The Secretary shall establish  
11 and administer a government-owned and farmer-stored re-  
12 newable energy reserve program under which producers of  
13 agricultural commodities will be able to—

14 (1) sell agricultural commodities authorized by  
15 the Secretary into the reserve; and

16 (2) store such agricultural commodities.

17 (c) NAME.—The agricultural commodity reserve es-  
18 tablished under this section shall be known as the “Renew-  
19 able Energy Reserve”.

1 (d) PURCHASES.—The Secretary shall purchase agri-  
2 cultural commodities at commercial rates in order to es-  
3 tablish, maintain, or enhance the reserve when—

4 (1) such commodities are in abundant supply;  
5 and

6 (2) there is need for adequate carryover stocks  
7 to ensure a reliable supply of the commodities to  
8 meet the purposes of the reserve or it is otherwise  
9 necessary to fulfill the needs and purposes of the re-  
10 newable energy program administered or assisted by  
11 the Secretary.

12 (e) LIMITATION.—Purchases under this section shall  
13 be limited to—

14 (1) the type and quantities of agricultural com-  
15 modities necessary to provide approximately four-  
16 month's estimated utilization for renewable energy  
17 purposes;

18 (2) an additional amount of commodities to  
19 provide incentives for research and development of  
20 new renewable fuels and bio-energy initiatives; and

21 (3) such maximum quantities of agricultural  
22 commodities determined by the Secretary as will en-  
23 able the purposes of the renewable energy program  
24 to be achieved.

1 (f) RELEASE OF STOCKS.—Stocks shall be released  
2 at cost of acquisition, and in amounts determined appro-  
3 priate by the Secretary, when market prices of the agricul-  
4 tural commodity exceed 100 percent of the full economic  
5 cost of production of those commodities. Cost of produc-  
6 tion for the commodity shall be determined by the Eco-  
7 nomic Research Service using the best available informa-  
8 tion, and based on a three year moving average.

9 (g) STORAGE PAYMENTS.—The Secretary shall pro-  
10 vide storage payments to producers of agricultural com-  
11 modities to maintain the reserve established under this  
12 section. Storage payments shall—

13 (1) be in such amounts and under such condi-  
14 tions as the Secretary determines appropriate to en-  
15 courage producers to participate in the program;

16 (2) reflect local, commercial storage rates sub-  
17 ject to appropriate conditions concerning quality  
18 management and other factors; and

19 (3) not be less than comparable local commer-  
20 cial rates, except as may be provided by paragraph  
21 (2).

22 (h) COMMODITY CREDIT CORPORATION.—

23 (1) IN GENERAL.—In such amounts as are pro-  
24 vided in advance in appropriation Acts, the Sec-  
25 retary shall use the funds, facilities, and authorities

1 of the Commodity Credit Corporation to fulfill the  
2 purposes of this section. To the maximum extent  
3 practicable consistent with the purposes, and effec-  
4 tive and efficient administration of this section, the  
5 Secretary shall utilize the usual and customary  
6 channels, facilities and arrangement of trade and  
7 commerce.

8 (2) FUNDING OFFSET.—The Secretary shall re-  
9 duce expenditures under title I as necessary to offset  
10 the expenditures to be made by the Secretary under  
11 this section.

